



**Minutes for Meeting of
Thursday, June 24, 2004**

Item-1: Call to Order

Chairwoman Dorothy Smith called the meeting to order at 5:00 p.m.

Item-2: Roll Call

Present – Chairwoman Dorothy Smith, Vice Chairwoman Dorothy Leonard, Commissioners Charles H. Dick, Jr., April Riel, Karen Thomas-Stefano, and Larry S. Westfall.

Staff – Executive Director Stacey Fulhorst, Deputy City Attorney Dave James, Legal Assistant Steve Ross, Senior Investigator Lauri Davis, Financial Investigator DeeDee Alari, and Executive Secretary Janet MacFarlane.

Excused – Commissioner Gregory Vega

Item-3: Reporting Results of Closed Session

Chairwoman Smith reported the results of the Closed Session meeting of June 10, 2004.

Item I: Conference with Legal Council (24 Potential Matters)

Case Nos. 2004-18 through 2004-40

Motion: Authorize investigation on Case Nos. 2004-18, 20, 21, 23, 24, and 26 through 40; dismiss Case Nos. 2004-19, 2004-22, and 2004-25

Moved/Seconded: Stefano/Vega

Vote: Unanimous

Excused: Riel

Case No. 2004-41

Motion: Authorize investigation
Moved/Seconded: Leonard/Westfall
Vote: Unanimous
Excused: Riel

Item 2: Conference with Legal Counsel (6 Potential Matters)

Case No. 2004-10 – In re: Dwayne Crenshaw

Motion: Approve Stipulated Agreement
Moved/Seconded: Dick/Leonard
Vote: Unanimous
Excused: Riel

Case No. 2004-11 – In re: Kathleen McIntosh

Motion: Approve Stipulated Agreement
Moved/Seconded: Dick/Stefano
Vote: Unanimous
Excused: Riel

Case No. 2004-13 – In re: Samuel Ynzunza

Motion: Approve Stipulated Agreement
Moved/Seconded: Stefano/Leonard
Vote: Unanimous
Excused: Riel

Case No. 2004-12

Motion: Dismiss
Moved/Seconded: Vega/Stefano
Vote: Unanimous
Excused: Riel

Case No. 2004-15

Status report.

Case No. 2004-03

Status report.

Item-4: Approval of Commission Minutes

APPROVAL OF COMMISSION MINUTES OF JUNE 10, 2004.

Motion: Approve
Moved/Seconded: Stefano/Leonard
Vote: Unanimous
Excused: Vega

Item-5: Non-Agenda Public Comment

None.

Item-6: Commissioner Comment

None.

Item-7: Executive Director Comment

Executive Director Fulhorst reported the following:

1. Introduced DeeDee Alari, recently appointed Financial Investigator with the Ethics Commission.
2. An educational training session for unclassified city employees to be conducted on June 24, 2004.
3. Status of on-line refresher ethics training course.
4. Near completion of office expansion

Stacey Fulhorst acknowledged Steve Ross for his support to the Commission since its inception in 2001, noting he has attended all of the Commission's 60 plus meetings.

Chairwoman Dorothy Smith presented Mr. Ross with the Ethics Commission Excellence Award for his outstanding work and invaluable service to the Commission.

Item-8: Deputy City Attorney Comment

Deputy City Attorney James acknowledged the invaluable support Mr. Ross provides to the Attorney's office.

Item-9: Proposed Revisions to the Election Campaign Control Ordinance.

April Boling stated that she has concern with respect to a number of recommended revisions to the ordinance which include: the requirement to maintain records of returned and refused contributions; return of contributions and payment to the City Treasurer of contributions that violate ECCO; limits re: disclosure of individual contributors supporting a ballot measure, which she feels are too low; the requirement that lease payments be made in advance.

Executive Director Fulhorst reported that the proposed revisions to ECCO are scheduled to go back before the Rules Committee on July 21, 2004. She explained that two issues were recently brought before the ECCO Subcommittee for the Commission's input and recommendation.

By consensus, the Commission agreed that the costs associated with audits should be included in the provision regarding legal defense funds.

Ms. Fulhorst stated the other issue was whether a provision should be added that would allow candidates to raise money following an election even if they have no outstanding debts. The Commission did not elect to recommend any changes to the current proposal, which does not permit officeholder funds.

Jim Sutton, representing the Lincoln Club, stated he has legal issues with respect to ECCO, and its impact on first amendment rights. In particular, he is concerned about the provision that limits contributions to a committee that makes independent expenditures. In addition, he questioned the rationale behind the continued ban on organizational contributions, and argued that contributions by sole proprietorships should be permitted.

Item-10: Proposed Ballot Measure to Provide Independent Legal Representation to Ethics Commission.

Executive Director Fulhorst reported that the Rules Committee approved the proposed ballot measure at its June 16, 2004, meeting. The item has been scheduled before full Council on Tuesday, June 29, 2004.

Item-12: Adjournment to Closed Session

Chairwoman Dorothy Smith adjourned the meeting to Closed Session at approximately 6:20 p.m. She stated if the Commission took any action that must be reported pursuant to the Brown Act, the Commission would reconvene into Open Session to report on that action.

Dorothy L. Smith, Chairwoman
Ethics Commission

Janet MacFarlane, Executive Secretary
Ethics Commission

THIS INFORMATION WILL BE MADE AVAILABLE IN ALTERNATIVE FORMATS UPON REQUEST.